DEPARTMENT OF STATE A/SC/MR
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Last year, the Organization of American States increasingly demonstrated its capacity to deal with common problems of the Americas.

International Peace and Security

The outstanding problem dealt with during the year was the situation in the Caribbean area, where conflicts had developed between various states charging each other with fomenting revolutionary activities directed at other governments.

The situation came to a head in December, 1949, when the Haitians uncovered a plot against their government which they claimed had support from high Dominican Republic officials. The Dominican Government, on the other hand, claimed that new revolutionary activities against it, similar to earlier ones which had been developed in Cuba and Guatemala, were being prepared. President Trujillo dramatized the charges by seeking and obtaining from his Congress the power to declare war on any government harboring such hostile elements.

Early in January, on the basis of its charges, the Haitian Government invoked the Rio Treaty, whereupon the Dominican Government did likewise. In view of the prevailing view in the Council of the Organization of American States, to which the appeals were made, that a baring of the facts would have a beneficial effect in itself and serve as a necessary basis for whatever further action was needed, the

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the Treaty was applied and, under its terms, the Council acted provisionally as Organ of Consultation. A five-man Investigating Committee, on which Ambassador Daniels represented the United States, was designated to make an on-the-spot examination of the various charges and their factual basis. After visiting each directly interested country, the Committee issued its comprehensive, objective, unequivocal report which pulled no punches in concluding that the facts proved sins of omission, and even a few of commission, on the part of the governments of the Dominican Republic - against Haiti - and of Cuba and Guatemala against the Dominican Republic.

The publication of this report, and the subsequent overwhelming approval of its basic conclusions, by the Council of the Organization of American States, acting provisionally as Organ of Consultation, contributed greatly to relieving tensions in the area. The continuing committee which was established to observe compliance with requests made to directly interested governments to eliminate the basic causes of the difficulty, issued its first report, dated June 30. This indicates not only that illicit revolutionary activities are quiescent, if not completely non-existent, but also that there are favorable trends toward the development of more friendly relations among the governments

governments of the area. The forthright action taken in applying the Rio Treaty to this situation, even though the elements are scarcely world- haking, should prove a significant precedent for action on problems of greater dimension, should the need arise.

The inter American machinery for dealing with threats or acts of aggression was considerably strengthened in July by the ratification of the Treaty of Rio de Janeiro y Argentina. This action, taken in response to the Communist attack in Korea, marked a drastic change in Argentine policy. Heretofore, Argentina has ratified few inter-American treaties, and none of the major ones. Her record of attempted neutrality during World War II is well known. In pushing through ratification of the Treaty, the Argentine Government has confirmed the policy stated by President Perón of full support for the United States in the event of war with the Soviet Union.

This action of Argentina was typical of the over-whelming support received from Latin America at the time of the Communist aggression against the Republic of Korea. Firm statements of support for the action of the United Nations were made by all 20 Latin American countries. Most of these countries also conveyed directly to the United States their desire to be of all possible assistance in this country's firm policy toward the Korean outbreak. Of particular satisfaction in this area, was the action

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of the Government of Guatemala, which had in some respects been strongly influenced by Communist leaders. The Guatemalan Government stated its firm support of the UN resolution and publicly approved the even more vigorous statement of their Ambassador to the United States, who stated that Guatemala "abhorred" Communism and all forms of totalitarianism.

General Matters

During the past 12 months, the reorganization of the inter-American system, pursuant to the resolutions of the Bogotá Conference, was largely accomplished. The Council of the Organization of American States completed its study and recommendations on all but three inter-American organizations, and inscribed five on the register of specialized organizations which are to be brought into closer relationship to the Organization as a whole.

Steps were also taken to clarify relations with some of the world organizations. The Council of the Organization of American States has prepared agreements with the International Labor Office and UNESCO providing for joint consultation in regard to problems of common interest and indicating a desire to avoid unnecessary duplication and overlapping. The proposed agreements are now before these two organizations for approval.

A special effort was made during the spring of 1950 to strengthen the economic cooperation of the American republics through the planning of a program of technical assistance

assistance. An Extraordinary Session of the Inter-American ECOSOC was held, attended by several representatives of cabinet rank from Latin American countries. At this meeting, March 20 to April 10, 1950, the basic policies to guide a program of technical cooperation were drawn up. This work was greeted with substantial interest as an evidence of tangible and effective cooperation through the Organization of American States. As of this writing, the failure of Congress to appropriate funds for the United States share in this program has made it impossible to translate these plans into action.

During the past year, an agreement was also reached in regard to the problem of the percentage which the United States should pay to the budget of the PAU. After protracted negotiations, a sliding scale was agreed upon under which the United States percentage will be reduced to 66 percent in three years. Although the reduction from the present, approximately 72 percent, is small, it represents the best that can be achieved without seriously damaging our program of inter-American cooperation through the regional organization.

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